

October 15, 1982

Memo to File:

RE: Winecup Resources, Inc.
Taylor Livestock Mine
ACT/019/016
Grand County, Utah

On Friday, October 15, 1982, I received two phone calls regarding reclamation of the site formerly operated by Winecup Resources, Inc., in Grand County, Utah.

Don Nelson contacted me first. He was extremely perturbed that the Order to Show Cause for the October Board Hearing had not been cancelled.

He indicated that he felt everything that could be resolved was resolved when Sue, Jim and I met with Max Cooley, Jerry Zabriske, Tony ?, and himself in Moab.

Mr. Nelson referred to a statement reportedly made by Max Cooley at the aforementioned meeting that if Winecup did anything further on-site, they would be sued by Cooley or Taylor Livestock Company. I do not recall the statement, but it may have been made.

I reminded Mr. Nelson that I had stated that the Order to Show Cause would be dismissed if the reclamation work was completed or if we received a commitment from Taylor Livestock Company to do the reclamation work.

Mr. Nelson requested that I write him a letter authorizing him to go on-site to do the reclamation work. I indicated that I would send him a letter telling him what reclamation work should be done by the operator, Winecup Resources, Inc. However, the State could not and would not give Winecup Resources permission to enter onto Taylor Livestock Company property. The State cannot authorize entry onto private land. Nor would we attempt to do so in this situation where the landowner had terminated the operator's contract for breach of its contractual obligations.

Mr. Nelson reiterated his contentions that the State had forced his operations to close down, that we had and were continuing to inconvenience him and that he would have to go to the "top" to complain about the way I was handling this. I transferred Mr. Nelson to Mr. Daniels for further discussion.

Later in the morning of October 15, 1982, I received a telephone call from D. L. Taylor.

Mr. Taylor was also disturbed by the Order to Show Cause. He did not attend the meeting in Moab as he was in the middle of the fall cattle round-up.

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When asked why the State had been dealing with Winecup Resources and not Taylor Livestock, I explained the history of this situation. Specifically, the State must deal with the operator, the operator had on numerous occasions been requested to resolve matters with the landowner, and that several unsuccessful attempts to contact a representative of Taylor Livestock had been made.

Mr. Taylor indicated that he did not want the pond filled nor did he want the gravel covered up. His stated reasons were that he and Max Cooley were in contact with numerous people who were interested in mining there and that a road was going to be built there sometime.

I indicated that the gravel could remain uncovered and the pit unfilled if the regrading and reseeding were done. I also told Mr. Taylor that he should file a change of operator with the Division and a Notice of Suspension of Operations. Completion of these required notices would suspend the obligation to complete the final reclamation work but would obligate Taylor Livestock Company for contemporaneous reclamation work and protection of the site.

Mr. Taylor stated that Max Cooley would utilize Winecup Resources' cat and do the regrading and revegetation that have been requested. I asked that a Division employee be allowed to watch the activity.

Mr. Taylor stated that he would have Mr. Cooley contact me and that we should work to resolve this matter.

Mr. Taylor asked if the work was not completed by October 25, 1982, should he attend the Board Hearing. I answered in the affirmative. However, I told him that the work would probably require less than a full days work. He stated he felt too many people were trying to tell him what to do with his property--he has to deal with us on the 28th and a federal inspector who wants him to bleed his cows on the 28th. However, he stated he would talk to Max Cooley and direct Max Cooley to resolve this matter so that the Order to Show Cause could be dismissed.

CAROLYN L. DRISCOLL
SPECIAL ASSISTANT
ATTORNEY GENERAL

CLD/btb